

SUBJECT: Manufactured housing standards

COMMITTEE: Business and Industry: favorable, with amendments, Consent
Calendar recommended

VOTE: 6 ayes--Semos, McLeod, Lee, Robnett, S. Thompson, Waters
0 nay
0 present, not voting
5 absent--Polumbo, Allee, Bush, Glossbrenner, A. Hill

SENATE VOTE: 30 ayes, 1 nay (Blake)

WITNESSES: For--Will Ehrle, Texas Manufactured Housing Assn.
Against--Dave Steele, Housing Engineers, Inc.

DIGEST: This bill amends the Mobile Home Standards Act to include modular homes as well as mobile homes under the "Manufactured Housing Act." The Department of Labor and Standards is to set construction and installation requirements for all manufactured housing, using the federal Mobile Home Construction and Safety Standards Act for mobile homes. The standards for modular homes must be no less stringent than those for mobile homes. The department is to cooperate with local governments and may contract with them to inspect installations of manufactured housing. Local governments may not adopt different codes or standards without the department's approval.

The bill also requires everyone who manufactures, sells, and installs manufactured housing to register and post bond or security with the department. The department may make inspections and contract with other governmental entities to make inspections. The one-year warranty now on mobile homes is made applicable to modular homes. The bill also specifies penalties for violations of the act.

PRO: This bill will ensure that Texas citizens who buy all types of manufactured housing are protected. There is currently no regulation of modular homes; this bill will make them subject to the same requirements imposed on mobile homes. This will stop the potential problem of dealers selling substandard housing to Texas residents.

CON: This bill does away with a system that has worked for almost 40 years. Local governments do a good job in ensuring that modular homes meet rigorous standards. This bill will place that responsibility with a state agency that has little experience in the area. Mobile homes and modular homes are not the same; the requirements for their construction and

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installation should not necessarily be the same.

COMMENTARY:

Modular homes are houses that are constructed away from their eventual location. They are then transported and permanently affixed to the home site.